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HB 2808: schools; operation; improvements

Sponsor: Representative Udall, LD 25

Caucus & COW

Overview

Establishes the Arizona Achievement District, Expanding Access to Excellent Schools Program, Operation Excellence School Improvement Program and related funds to support the expansion of high quality schools and to improve academic outcomes and opportunities for Arizona students.

History

The Arizona Department of Education (ADE) is required to annually compile an annual achievement profile that reflects the achievement for each public school and local educational agency (LEA) according to prescribed academic and educational performance indicators. The State Board of Education (SBE) is then required to use the annual achievement profile to assign an A-F letter grade for the public school or LEA ([A.R.S. § 15-241](#)).

Currently, if a school is assigned a D letter grade, the school district governing board or charter holder must develop an improvement plan for the school. If a school receives a D letter grade for three consecutive years, the school is assigned an F letter grade. The Superintendent of Public Instruction and the county educational service must collaborate to assign a solutions team to a school assigned a D or F letter grade based on academic need and available resources ([A.R.S. § 15-241.02](#)).

The Arizona Public School Credit Enhancement Program assists achievement district schools (A letter grade schools meeting prescribed criteria that qualify to participate in the program) in obtaining more favorable financing by guaranteeing the payment of principal and interest on guaranteed financings issued by or on behalf of achievement district schools. Currently, this program is overseen by its own board and has its own respective fund ([A.R.S. Title 41, Chapter 56, Articles 10 and 11](#)).

Provisions

Arizona Achievement District (Achievement District)

1. Establishes the Achievement District within the Arizona Department of Administration (ADOA) to support the expansion of high quality public schools for Arizona students. (Sec. 8)
2. Details the Achievement District consists of the Arizona Public School Credit Enhancement Program and the Expanding Access to Excellent Schools Program. (Sec. 8)
3. Creates the Achievement District Board (Achievement Board) to govern the Achievement District and outlines its membership. (Sec. 8)
4. Instructs the Achievement Board to establish an application process, application forms and selection criteria for an Arizona charter school or district school and out-of-state charter school operators to qualify as an Achievement District school. (Sec. 8)
5. Authorizes a charter school or district school to qualify as an Achievement District school if it:
 - a) Has been assigned an A letter grade for at least two consecutive years;

- b) Has proven instructional strategies and curricula that demonstrate high academic outcomes;
 - c) Has a verifiable enrollment demand;
 - d) Has a sound financial plan;
 - e) Has shown a commitment to provide technical assistance to an underperforming Arizona school; and
 - f) Meets other criteria established by the Achievement Board. (Sec. 8)
6. Stipulates an out-of-state charter school operator is eligible to qualify as an Achievement District school if the operator:
- a) Has proven instructional strategies and curricula that demonstrate high academic outcomes for students for at least three years;
 - b) Has a verifiable enrollment demand;
 - c) Has a sound financial plan;
 - d) Has shown a commitment to provide technical assistance to an underperforming Arizona school; and
 - e) Meets any other criteria established by the Achievement Board. (Sec. 8)
7. Maintains a public school that was approved as an Achievement District school before the effective date of this act is still an Achievement District school. (Sec. 11)
8. Prohibits an Achievement District school that is assigned a B, C, D or F letter grade in any combination for two consecutive years from remaining a member of the Achievement District. (Sec. 8)
9. Details evaluation timeframe requirements for the Achievement Board regarding Achievement District school applications. (Sec. 8)
10. Enables an Achievement District school to apply to participate in the:
- a) Arizona Public School Credit Enhancement Program; and
 - b) Expanding Access to Excellent Schools Program. (Sec. 8)
11. Instructs the Division of School Facilities to:
- a) Certify and audit the data regarding vacant and partially used buildings provided by school districts regarding schools that are assigned a D or F letter grade; and
 - b) Provide any data or assistance regarding potentially available space at the request of the Achievement Board. (Sec. 5, 8)
12. Stipulates a charter school that is a member of the Achievement District:
- a) Is not subject to any enrollment caps prescribed by its sponsor; and
 - b) May expand and serve additional students and must notify its sponsor of the expansion and the number of additional students it plans on serving. (Sec. 1)
13. Defines *Achievement District school*. (Sec. 9)
14. Repeals existing statute relating to achievement district schools. (Sec. 7)

Expanding Access to Excellent Schools

Expanding Access to Excellent Schools Program (Excellent Schools Program)

15. Establishes the Excellent Schools Program to support the expansion of high quality schools for Arizona students. (Sec. 9)
16. Directs the Achievement District Board to establish procedures to administer the Excellent Schools Program. (Sec. 9)

17. Establishes the Arizona Expanding Excellence Fund (Excellence Fund) for the purposes of seeding high quality schools in Arizona and that is administered by the Achievement Board. (Sec. 9)
18. States the Excellence Fund:
 - a) Consists of legislative appropriations, gifts, grants, donations and any other monies; and
 - b) Monies are continuously appropriated and are exempt from lapsing. (Sec. 9)
19. Permits the Achievement Board to use up to 3% of available monies in the Excellence Fund. (Sec. 9)
20. Permits an Achievement District school or a school district that is required to partner with an Achievement District school or to change operations of a failing school to apply to the Excellent Schools Program to request funding from the Excellence Fund on a onetime basis to seed the operations of a new district partnership school or fresh start school. (Sec. 9)
21. States that:
 - a) An Achievement District school or a school district that is partnering with an Achievement District school may apply to the Achievement Board for up to \$2,000 per student to seed the operations of a district partnership school or fresh start school; and
 - b) ADOA, after approval by the Achievement Board, is to distribute Excellence Fund monies to eligible schools. (Sec. 9)
22. Prohibits an Achievement District school or a school district that is partnering with an Achievement District school from receiving allocations from the Excellence Fund more than once for any one district partnership school or fresh start school. (Sec. 9)
23. Specifies allocations from the Excellence Fund for district partnership schools and fresh start schools are to be based on enrollment. (Sec. 9)
24. Requires the Achievement Board to submit an annual report by December 1 to specified entities that contains information regarding the Excellence Fund and the Excellent Schools Program. (Sec. 9)

District Partnership Schools

25. Instructs the Achievement Board to develop a process for establishing district partnership schools. (Sec. 9)
26. States the school district governing board of a D or F letter grade school may:
 - a) Approach the Achievement Board with a preselected Achievement District school; or
 - b) Request the Achievement Board select an Achievement District school. (Sec. 9)
27. Details the information a contractual agreement to establish a district partnership school must contain, including enrollment, funding, management, transportation, term and building provisions. (Sec. 9)
28. Defines *district partnership school* to mean a district school that:
 - a) Has been assigned a D or F letter grade;
 - b) Currently has enrolled students;
 - c) Has entered into a contractual partnership with a proven, high performing operator that is an Achievement District school and that will operate the school; and
 - d) Provides the operator with control over staffing, leadership, day-to-day operations, instructional programming, school schedule and budgeting. (Sec. 9)

Fresh Start School

29. Requires the Achievement Board to develop a process to approve a fresh start school to replace a D or F letter grade school with a high quality school. (Sec. 9)

30. States an approved fresh start school is the school of record. (Sec. 9)
31. Allows a fresh start school to be started by an Achievement District school in a vacant or partially used building of a school district that has either voluntarily made the building available for use or has been compelled by law to deploy the building for public use. (Sec. 9)
32. Mandates, when using a school district building for a fresh start school, an Achievement District school receive either a 25-year triple net lease or purchase the building at market rate. (Sec. 9)
33. Exempts the selling or leasing of a building to an Achievement District school for a fresh start school from voter authorization. (Sec. 9)
34. Directs the Achievement Board to complete an initial three-year performance review followed by subsequent five-year performance reviews for applicable lease agreements. (Sec. 9)
35. Asserts only the Achievement Board may terminate or revoke leases. (Sec. 9)
36. Prohibits a fresh start school from being operated by the same school district within which the D or F letter grade school is located. (Sec. 9)
37. Mandates a fresh start school reserve space for and admit any student who resides within the previous boundaries of the D or F letter grade school. (Sec. 9)
38. Defines *fresh start school* to mean a school that:
 - a) Is autonomously operated by an Achievement District school;
 - b) Operates out of a vacant or partially used building that is leased or purchased from a school district and has no affiliation to the school district; and
 - c) Replaces a D or F letter grade school at the same campus or at a different location within the same attendance boundaries, as determined by the Achievement Board. (Sec. 9)

Operation Excellence School Improvement Program (Operation Excellence Program)

39. Establishes, beginning FY 2023, the Operation Excellence Program to improve academic outcomes and opportunities for all students in eligible schools. (Sec. 10)
40. Creates the School Achievement Improvement Fund (Improvement Fund) and states:
 - a) It is administered by ADE at the direction of SBE;
 - b) It consists of legislative appropriations, gifts, grants, donations and any other monies; and
 - c) Monies are continuously appropriated and exempt from lapsing except that all monies remaining on December 31, 2026 revert to the state General Fund (GF). (Sec. 10)
41. Requires schools that receive funding from the Improvement Fund to prioritize these resources to implement evidence-based, proven strategies to increase academic proficiency and growth. (Sec. 10)
42. Instructs SBE, beginning in FY 2023, to designate the following schools as Operation Excellence schools:
 - a) Any school operated by a school district or charter holder that received a D or F letter grade during FYs 2019 and 2022; and
 - b) Any school operated by a school district or charter holder that did not receive a letter grade and has been identified as a school requiring comprehensive support and improvement for low achievement pursuant to federal law in the most recent fiscal year. (Sec. 10)
43. Allows a school to opt into Operation Excellence if:
 - a) The school received a C letter grade during FYs 2019 and 2022; and
 - b) Has at least 60% of enrolled students eligible for free or reduced-price lunches or an equivalent measure. (Sec. 10)

44. Requires, by September 30, 2022 or within 45 days of the effective date of this act, an Operation Excellence school or school opting to participate in the Operation Excellence Program to notify SBE its determination or intent to participate. (Sec. 10)
45. Stipulates a school designated as an Operation Excellence school must:
 - a) Engage in targeted school improvement;
 - b) Select to participate in either a district partnership school or fresh start school; or
 - c) Close or consolidate. (Sec. 10)
46. States a participating charter school is not immune or protected against the charter school's sponsor revoking its charter during its participation. (Sec. 10)
47. Instructs ADE, for FYs 2023, 2024 and 2025 and at the direction of SBE, to distribute \$150 per currently enrolled student from the Improvement Fund to school districts and charter schools that have selected to engage in targeted school improvement. (Sec. 10)
48. Specifies that a school eligible to receive funding for the small school weight must receive at least \$30,000 in total funding. (Sec. 10)
49. Prohibits schools that have selected to participate in a district partnership school or fresh start school from receiving Improvement Fund monies. (Sec. 10)
50. Requires Improvement Fund monies to be:
 - a) Separately accounted for in a school's annual financial report; and
 - b) Spent at and for the benefit of a qualifying school site. (Sec. 10)
51. Specifies when funding is to be disbursed and qualifications for the disbursement of funding for participating schools. (Sec. 10)
52. Requires, by December 1, 2022, a school district or charter holder that opts into participating to:
 - a) Submit an improvement plan to improve student outcomes to SBE; and
 - b) Identify a mentor who can assist with academic achievement. (Sec. 10)
53. Details requirements for a mentor. (Sec. 10)
54. Instructs SBE, by October 31, 2022, to identify approved independent school improvement partners to be included on a partner network list. (Sec. 10)
55. Details the requirements an independent school improvement expert must meet to be awarded a contract by SBE. (Sec. 10)
56. Requires an Operation Excellence school district governing board or charter holder of a charter school that selects to participate in targeted school improvement to establish an Operation Excellence committee composed of outlined members. (Sec. 10)
57. Requires an Operation Excellence committee to:
 - a) Submit an improvement plan to SBE by December 1, 2022 to improve student outcomes; and
 - b) Select an approved school improvement partner from the partner network list to implement the improvement plan. (Sec. 10)
58. Directs SBE to assist an Operation Excellence school in:
 - a) Collecting and recommending changes to improve student achievement data; and
 - b) Monitoring implementation of and providing support for the improvement plan. (Sec. 10)
59. Allows, with approval from SBE, a participating school to submit a request to cancel a contract with an independent school improvement partner and select a different independent school improvement partner. (Sec. 10)

60. Stipulates if a school district has an existing improvement plan, the Operation Excellence improvement plan must align with or expand on the existing improvement plan. (Sec. 10)
61. Directs SBE to annually review each improvement plan and require any modifications. (Sec. 10)
62. Mandates Operation Excellence monies be withheld until an improvement plan or report is submitted. (Sec. 10)
63. Authorizes SBE to adopt rules to establish an appeals process for a school that does not receive approval of its improvement plan. (Sec. 10)
64. Directs, by June 1 annually, each participating school to submit a report to SBE that describes how the improvement plan has improved student academic achievement. (Sec. 10)
65. Instructs SBE, by October 1 of 2023, 2024 and 2025, to compile each participating school's report and submit a compiled report to specified entities. (Sec. 10)
66. Requires SBE, by December 1, 2026, to submit a final report on the Operation Excellence Program to specified entities. (Sec. 10)
67. Declares any district school, that participated in the Operation Excellence Program and that does not achieve a C letter grade in FY 2026 must:
 - a) Initiate a district partnership school or fresh start school; or
 - b) Close or consolidate. (Sec. 10)
68. Appropriates \$58,000,000 from the state GF in FYs 2023, 2024 and 2025 to the Improvement Fund. (Sec. 12)
69. Allows SBE to use up to \$1,000,000 in each of the amounts appropriated in FYs 2023, 2024 and 2025 to administer the Operation Excellence Program. (Sec. 12)
70. Appropriates seven full-time equivalent positions from the state GF in each of FYs 2023, 2024 and 2025 to SBE. (Sec. 12)
71. Repeals the Operation Excellence Program and the Improvement Fund on January 1, 2027. (Sec. 10)

Accountability

72. Instructs SBE, beginning in FY 2028, to require any district school that has been assigned a D or F letter grade in any combination for two consecutive years to initiate either a district partnership school or a fresh start school. (Sec. 3)
73. States if SBE, beginning in FY 2028 and in consultation with the school district, determines that a district partnership school or a fresh start school is not practicable, the school district must:
 - a) Vote to install a new school district superintendent, subject to SBE approval; or
 - b) Close or consolidate the school. (Sec. 3)
74. Declares there is only one accountability system for the performance of schools. (Sec. 2)
75. Prohibits ADE from having a separate accountability system to identify the performance of schools. (Sec. 2)
76. Mandates SBE adopt rules, policies and procedures to ensure the state is classifying schools for school improvement consistent with federal law. (Sec. 2)
77. Specifies that if a charter school is assigned an F letter grade, the charter school's sponsor must take action to restore the charter school to at least a C letter grade within one year or revoke the charter school's charter. (Sec. 4)

78. Allows a charter school sponsor to immediately revoke the charter of the charter school if the charter school is assigned an F letter grade or fails to meet the academic performance framework. (Sec. 1)
79. Clarifies that a sponsor may make a determination to revoke the charter school's charter after being notified that the charter school has been assigned an F letter grade. (Sec. 4)

Miscellaneous

80. Contains a retroactivity clause of July 1, 2022. (Sec. 13)
81. Makes conforming changes. (Sec. 1, 2, 3, 6)
82. Makes technical changes. (Sec. 1, 2, 3, 5)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input checked="" type="checkbox"/> Fiscal Note
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